



2018 Annual Green Tier Report

Introduction

Built through the 2018 merger of Fairmount Santrol and Unimin, Covia is a leading provider of minerals and material solutions for the Industrial and Energy markets. Covia offers its customers a broad array of high-quality products, distinctive technical capabilities and the industry's most comprehensive and accessible distribution network. Our company was built on a spirit of partnership – with each other, our customers and our communities. Since the merger took place, several key strengths have emerged which now distinguish our culture and reflect the values that make us who we are – *Clearly Covia*.

- Safety First: Safety starts with me. Live the life saving rules. Bring safety home.
- Be Different: Create a place where bold things happen. Be inclusive, promote diversity. Speak up, listen, and challenge the status quo.
- Deliver on Promise: Be accountable and trust others. Build collaborative teams and empower them. Exceed expectations. Celebrate success.
- Do Good. Do Well. Act Responsibly: Protect our planet. Strengthen our communities. Advance prosperity for all stakeholders.

Worldwide, Covia employs over 3,000 people. Covia's global operations include more than 50 plants and 94 operating terminals. These facilities are located in the United States, Canada, and Mexico. Our wide geographic coverage provides access to minerals of varying kinds and grades, with products ranging from raw minerals to highly engineered products like resins, custom blends, resin coated sands, Propel SSP and DustShield™. Our broad product portfolio serves a diverse array of end markets, including oil and gas, glass, ceramics, metals and castings, sports and recreation, construction and filtration.

In 2011, the professionals that we work with at the Wisconsin Department of Natural Resources (DNR) encouraged Covia's three Wisconsin Industrial Sand Company (WISC) sites (formerly owned and operated by Fairmount Santrol) to consider becoming a part of the Green Tier Program. With an established Environmental Management System in place, and our existing commitment to environmental stewardship, we felt that we were a great candidate for Green Tier certification. Our three WISC sites achieved Green Tier status on January 11, 2013. These three facilities were the first industrial sand mining operations to enter into the Wisconsin Green Tier Program.

Environmental Management System (EMS)

Covia's Wisconsin Industrial Sand Company (WISC) subsidiaries maintain an Environmental Management System (EMS) that is functionally equivalent to the ISO 14001 system. WISC establishes performance goals that support the three pillars of sustainable development which we have identified as crucial to our operations - People, Planet & Prosperity. The performance goals also align with our environmental policy and vision, and address any potential significant impacts.

Our Environmental Policy is as follows:

Covia complies with all environmental laws and regulations, and through its Continuous Improvement Process, raises environmental awareness, reduces its impact on the environment, and lowers environmental risks and liabilities. Covia operates consistent with the principles of sustainability, including managing resources responsibly, conserving water and energy, and minimizing discharges to the environment.

Environmental Vision:

Go beyond environmental compliance by conserving and recycling resources, applying precise environmental technologies, promoting wildlife and habitat conservation, maintaining strong relationships with stakeholders, and creating a high level of environmental awareness.

Comprehensive management reviews are conducted regularly for our operations. Annually we conduct internal environmental compliance audits of our EMS system at each of our facilities to ensure compliance with federal, state and local regulations.

Audit Results

All three of our WISC facilities (Hager/Bay, Maiden Rock and Menomonie) were compliant with one combined ISO 14001 registration at the time that we entered the Green Tier program. Our application for Green Tier was submitted in 2012, and in August of 2012, ASR performed a sample surveillance audit. In August of 2013, our EMS was audited and we were approved for recertification, with renewal due in 2016. In August 2014 and 2015 ASR performed surveillance audits. In April 2016, all of the WISC facilities experienced a drastic reduction in activity, with many of the processes being idled. The Menomonie facility resumed operations in September 2016, and the Maiden Rock location has been fully operational since February 2017. Because of the limited activity in 2016, we chose not to recertify within the ISO 14001 program, however we are maintaining the same environmental management system, operating in accordance with the requirements found in Wis. Stats. §299.83. We did conduct an internal compliance audit in 2016, and external audits were conducted in January 2018 for the 2017 year. An internal audit was conducted in February 2019 for the 2018 year. Results from all previous annual audits conducted are listed below.

Audit Date	Major	Minor	OFI
08/22/2012	0	2	7
08/16/2013	0	2	5
08/25/2014	0	2	4
08/20/2015	0	0	2
08/17/2016	0	2	2
01/15/2018	0	0	0
01/29/2018	0	1	0
02/19/2019	0	4	5

Every major and minor finding that is identified has a corrective action for resolution of the issue(s) identified. There were no major findings identified in the 2018 audit. All minor findings and opportunities for improvement have been addressed, or are in the process of being addressed. This most recent audit revealed many opportunities for refining the new Covia environmental management system, as the environmental departments from the legacy Fairmount Santrol and the legacy Unimin organizations come together to create these new, combined programs, systems and procedures. In addition to our formal audits, all employees regularly inspect and document their findings of issues identified and provide accompanying corrective actions.

Goal Update and Progress – 2018

Goal Update and Progress - 2018

Clean Water and Water Reduction = 100%

- *Complete testing of drinking water at each facility, and evaluate methods for reducing bottled water consumption = Achieved 100%.*
 - Drinking water sampled at Menomonie on 7/23/19 and at Maiden Rock on 7/24/19.
 - Bottled water no longer being purchased at the sites. Tap filtration system is in place instead.
- *Participate in at least one local water education or outreach event, with at least 50% of employees participating = Achieved 100%*
 - Hosted Rush River Cleanup event on May 19, and participated in stream restoration efforts with WDNR and Trout Unlimited throughout the year. Combined total participation of 63% from employees.

Environmental Outreach and Education = 100%

- *Obtain recertification from Wildlife Habitat Council for the Menomonie and Hager/Bay facilities, certifying through their new Conservation Certification program. Maintain existing wildlife management and land conservation programs for the existing Maiden Rock Conservation Certification = Achieved 100%*
- *Complete at least one project with a local community group which contributes to a healthy ecosystem = Achieved 100%*
 - Menomonie Middle School 8th grade students learned about native species of cavity-nesting songbirds and helped build and install new bird houses on April 27 at the Menomonie mine.

- Ellsworth Middle School 8th grade students visited Pine Creek and the Covia mine in Maiden Rock on May 21 to participate in a species identification activity, catching and observing the crustaceans and fresh water shrimp in Pine Creek to determine the health of the stream. Students also learned about the unique bat hibernacula that the 89-year-old underground mine in Maiden Rock provides for thousands of bats, every winter.
- *Organize and host at least one environmental education opportunity for school-age learners = Achieved 100%*
 - Two employees organized and hosted an activity called “Fungus Among Us” with 3rd-5th grade students at the Menomonie Boys & Girls Club on October 30. Students learned about white-nose syndrome and how it is impacting populations of cave-dwelling bats in our region.
 - Menomonie Middle School 8th grade students visited the Menomonie mine on November 16 for a tour and to learn about natural resources and geological formations in our region.
- *Conduct at least two Adopt-A-Highway clean-up events = Achieved 100%*
 - Adopt-A-Highway clean-up events completed on 5/18/18, 6/12/18, 8/6/18, 10/2/18, and 10/5/18.
- *Conduct at least one Adopt-A-River Mile clean-up event = Achieved 100%*
 - Adopt-A-River Mile clean-up events completed on 7/12/18 and 8/3/18.

Greenhouse Gas Emissions = 75%

Contribute to Fairmount Santrol’s (now Covia) company-wide commitment to plant enough trees to sequester the organization’s greenhouse gas emissions that were accumulated from Q4 of 2016 through Q3 of 2017.

- *In Wisconsin, plant at least 600 small trees (whips or seedlings), or 60 trees at least 3-feet in height. At least 10% of employees will participate in tree planting activities = Achieved 100%*
 - 3-10# white oak and 20-10# burr oak planted in Menomonie on October 11 with 36% of employees participating
 - 70 mature trees planted in Maiden Rock during the month of May with 100% of employees participating
- *Complete at least one new energy-efficiency project and document the energy savings which are realized = Achieved 50%*
 - Maximizing screen efficiency based on market demand – implemented in June, however actual energy savings were not documented.
 - Automated light switches in the office – implemented in February, however actual energy savings were not documented.

Waste Remediation = 100%

- *Maintain Zero Waste to Landfill = Achieved 100%*
- *Submit at least one project from each facility to the Fairmount Santrol 2018 3R Competition = Achieved 100%*
- *Conduct one internal waste-stream audit, to identify additional opportunities for improvement in the areas of recycling, reusing and reducing potential waste = Achieved 100%*
 - Maiden Rock waste audit completed 7/26/18. All bins confirmed as properly and effectively labeled. New Waste Management Plan (WMP) implemented 11/6/18. First monthly audit conducted on 11/8. These audits will help determine how we can reduce material sent to Waste-to-Energy (WTE) in the future.
 - Menomonie waste audit completed 6/12/18. All bins confirmed as properly and effectively labeled.



A waste audit performed at Maiden Rock facility on July 26, 2018 revealed that 5% of material that was being placed in waste bins was actually recyclable, an improvement of 16% from 2017. Additionally, 5% of material found in the recycling bins was waste. Recycling and sorting procedures were reviewed with all employees.



Four stretches of roadway in the Adopt-A-Highway program and one Adopt-A-River Mile location were the sites of clean-up events throughout the year, collecting recyclables and waste, which were transported to a waste-to-energy facility.



13 tires, 200 pounds of recyclable materials, and another 160 pounds of waste were collected during the Rush River Cleanup, on a 25-mile stretch of the river.

Current Fiscal Year Goals- 2019

2019 Goals
<u>Clean Water and Water Reduction</u> <ul style="list-style-type: none">• Participate in at least one local water education or outreach event, with at least 25% of employees participating.
<u>Environmental Outreach and Education</u> <ul style="list-style-type: none">• Maintain existing wildlife management and land conservation programs for the Conservation Certifications at Maiden Rock and Menomonie, for the Wildlife Habitat Council.• Complete at least one project with a local community group which contributes to a healthy ecosystem.• Organize and host at least one environmental education opportunity for school-age learners.• Conduct at least two Adopt-A-Highway clean-up events.• Conduct at least one Adopt-A-River Mile clean-up event.
<u>Green House Gas Emissions</u> <p>Contribute to Covia's company-wide commitment to plant enough trees to sequester the organization's greenhouse gas emissions that were accumulated in 2018.</p> <ul style="list-style-type: none">• From Covia's Maiden Rock and Menomonie sites, plant at least 600 small trees (whips or seedlings), or 60 trees at least 3-feet in height. At least 5% of employees will participate in tree planting activities.• Complete at least one new energy-efficiency project and document the energy savings which are realized.
<u>Waste Remediation</u> <ul style="list-style-type: none">• Maintain Zero Waste to Landfill.• Conduct one internal waste-stream audit, to identify additional opportunities for improvement in the areas of recycling, reusing and reducing potential waste.

Environmental Performance

We are committed to protecting and preserving the environment. Our Wisconsin facilities have voluntarily obtained certification through the Wildlife Habitat Council's (WHC) program. We have agreed to strict criteria to meet Saving Birds thru Habitat's standards for certification at both our Maiden Rock and Hager City facilities. These programs emphasize community involvement in

wildlife habitat and land conservation projects by collaborating with local teachers and students, Scout groups, 4-H groups, and other community members. They engage our employees in the experience of innovative teaching and learning techniques, and the opportunity to involve our community in our conservation efforts. Students use our habitat as an “outdoor classroom,” building essential knowledge in key concepts and skills such as importance of natural resources, geological makeup of our area, and ecological considerations. We work with Scout groups to earn merit badges, and those groups assist our team in habitat establishment, management and monitoring.

Projects that were completed in 2018 include maintenance of bird houses and bat houses, monitoring activity in those habitats, maintaining and monitoring a rainwater garden in Menomonie, maintaining existing pollinator gardens and nature trail at Menomonie, stream monitoring activities, and species identification, among others. College students and professors have used our sites to conduct research or class studies in our habitat. All of these projects provide members of the community an opportunity to connect to the environment and learn about our role as a thoughtful steward of the lands in care.



In our local restoration and mine reclamation projects, we strive to incorporate sustainable landscaping plans that include native species, storm water management ponds, pollinator gardens, and natural habitat that attract wildlife. For example, in partnering with Trout Unlimited, we continue to help restore the health of Pine Creek and Trimbelle River in Pierce County, Wisconsin, and Gilbert Creek and Hay Creek in Dunn County, Wisconsin, in order to re-establish trout populations. Other corporate goals that focus on protecting our planet are created

and implemented by our Sustainable Mobility Team; Environmentally Responsible Products and Processes (ERPP) Team; Recover, Recycle, Reuse (3R) Team; and our Clean Water Team.



Our engineers are always working hard to help us meet and exceed our goals to reduce greenhouse gas (GHG) emissions through continual process improvement and strategic design. We track every part of our process, to find out how many kilowatts, how much diesel and dryer fuel, and how much water we are consuming. This allows us to identify ways that we can continue to decrease our consumption of valuable natural resources, and significantly lower our carbon footprint. A 39.6 kilowatt solar panel array installed in October 2011 at our Menomonie facility provides enough energy to power the entire office building, which includes the maintenance shop, lab, conference room, and six offices. We continue to track our GHG and identify ways to continuously reduce and offset our emissions every year.

In December 2012, Fairmount Santrol (now Covia) achieved “Zero Waste to Landfill” status at its three Wisconsin Industrial Sand Company facilities - Hager City/Bay City, Maiden Rock, and Menomonie. Through comprehensive recycling and composting efforts, finding ways to reuse and reduce materials, and partnering with waste-to-energy facilities for the final step, we are proud to say that there is no waste leaving these facilities and entering a landfill through 2018.

Transportation

We work with transportation companies to ensure safe transport of our product and minimize the impact of transporting sand, on our communities. All truck drivers that we work with sign a Letter of Acknowledgement before they begin, and review it once a year. The agreement outlines policies and procedures that they must follow at all times, including: the required use of personal protective equipment, required tarps to completely cover the load before leaving our facility, cleaning trailers before being loaded, obeying speed limit signs, not permitting engine brakes, no dumping of sand on the highway, or anywhere except on Covia property. We take these rules seriously, and if we witness or hear of infraction by the drivers we contact the trucking company or the driver specifically to communicate the dissatisfaction. The company/driver is given a

chance to rectify the situation. If we have continued issues with drivers or incidents we will temporarily suspend their partnership with us. If the infraction is serious enough, the driver and/or company will not be allowed back to work for our company. With regards to rail transportation, we clean the tops of every rail car before it leaves our facility, and promptly remove any sand that has been spilled on the tracks.

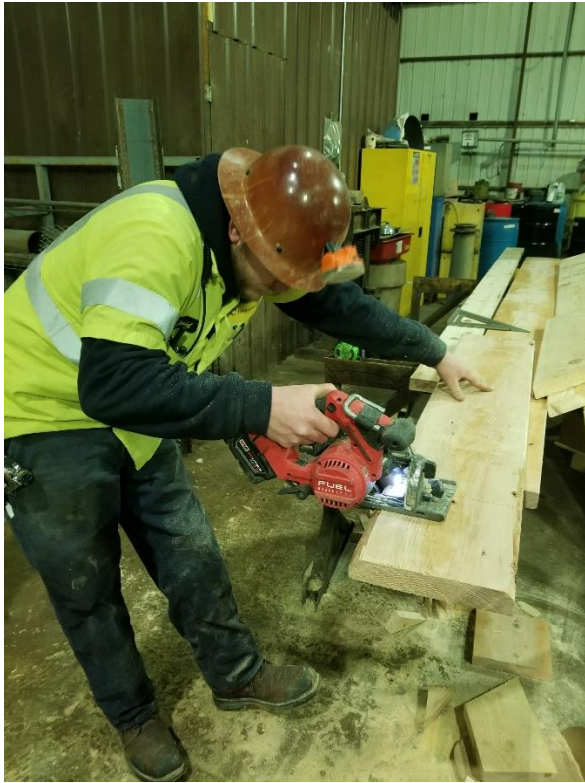
An expansion at our Hager City facility in 2014 now enables us to use unit trains to transport our products from Wisconsin. Consisting of 100 railcars, a unit train can keep 400 long-haul diesel trucks off the road. Ton-for-ton, rail transportation is more than three times as energy efficient as truck transport. This allows us to increase transportation and fuel efficiency while improving traffic pattern flow on highways. Across the company, we collaborate with our customers to actively track and manage our transportation and logistics network to drive efficiency – to the benefit of our customers, our communities, and the environment.

Stakeholder Involvement

We feel that it is very important to continuously communicate with our stakeholders and members of our community to maintain a great relationship with our neighbors, and minimize the impact of our operations whenever feasible. We maintain an open-door policy and encourage feedback from stakeholders and other members of the community at any time. We have given many tours of our facilities to teach people about how our business operates and answer questions they may have about our impact on the community. We publish a Corporate Responsibility Report annually, which is available online at www.coviacorp.com.

We are committed to serving the communities in which we operate. Our employees are encouraged to participate in at least 20 hours of paid volunteerism each year, and are involved in local projects and events such as: Adopt-A-Highway road clean-up, stream restoration projects, Adopt-A-River Mile program through the Living Lands & Waters organization, stocking shelves at a local food pantry, hosting blood drives and donating blood, donating and planting hundreds of trees in the community, providing education within the local schools, assisting local municipalities with maintenance and projects such as snow plowing, street washing, and dock construction and installation.

In 2018 at our Wisconsin Industrial Sand Company (WISC) sites, we amassed 2,198 hours of volunteer time, which provides a tangible value of over \$50,554 in labor to the local community. We also donate a percentage of our profits each year towards support of community investment and local non-profit organizations. Donations from our WISC operations in 2018 totaled more than \$99,335.



We feel strongly about supporting education in the communities where we work and live. Many different school-age groups toured our facilities in 2018. In addition, employees from our region organized and led a large educational field trip for eighth grade students in Menomonie. Approximately 230 students from Menomonie Middle School visited our Menomonie mining site in November 2018. Students learned about the natural resources that we mine, the geological history of our area, the mining process, and sustainable development.



Environmental Recognition

Our efforts to be a responsible steward of the natural resources that we mine have been recognized by many organizations including the Wisconsin Sustainable Business Council, which designated Wisconsin Industrial Sand Company as a Green Master every year since 2012. The Green Master designation is the highest tier in the Green Masters program. Candidates are judged on a comprehensive range of sustainability issues from energy and natural resource use, to education outreach and purchasing. In May 2015, the Wisconsin Partners for Clean Air recognized presented our Wisconsin operations with a Recognition Award.

The following provides an overview of prior environmental achievements for Covia's Wisconsin Industrial Sand Company operations in Wisconsin:

Year	Award	Location
Nov, 2012	Wildlife Habitat Council's "Bat Conservation Action Award of the year"	Hager/Bay
Jan, 2013	Pierce County Economic Development Corporation- Business of the Year 2012	Maiden Rock, Hager City, Bay City
May, 2013	Wisconsin Manufacturers & Commerce- Business Friend of the Environment	Menomonie, Maiden Rock, Hager City, Bay City
Jan, 2013	Wisconsin Department of Natural Resources- Green Tier	Menomonie, Maiden Rock, Hager City, Bay City
Feb, 2014	Greater Menomonie Area Chamber of Commerce - Business of the Year 2013	Menomonie
May 2015	Wisconsin Partners for Clean Air – Recognition Award	Menomonie, Maiden Rock, Hager City, Bay City
November 2017	Wildlife Habitat Council's "Species of Concern Project Award" and the "Caves and Subterranean Habitats Project Award"	Maiden Rock
2012-2018	Wisconsin Sustainable Business Council - Green Master	Menomonie, Maiden Rock, Hager City, Bay City
November 2018	Wildlife Habitat Council's "Species of Concern Project Award" and the "Caves and Subterranean Habitats Project Award"	Bay City

DNR Relationship

We have worked closely with the Wisconsin Department of Natural Resources (DNR) for many years. We work in concert with the DNR to monitor the symbiotic relationship between our operations and the bats in our underground mines. We aim to help detect and slow the spread of "white nose syndrome", a fungal disease which threatens to decimate large populations of bats in the United States. Our Maiden Rock mine is the second largest bat hibernacula in the state of Wisconsin, and our Bay City mine is the third largest, with traditionally more than 145,000 bats hibernating in those mines every winter. Since the onset of white nose syndrome in our habitat, in 2016, the bat

populations have experienced more than an 80% decline at Bay City and Maiden Rock. We continue to work with DNR personnel from the Wisconsin Bat Program

In 2011 we received an award from Secretary Frank at October's Wisconsin DNR Board Meeting, commemorating our efforts to assist the DNR's bat research. We were also recognized with the Wildlife Habitat Council's Bat Conservation Action Award of the year in November 2012, and with their Species of Concern Project Award and their Caves and Subterranean Habitats Project Award in 2017 at Maiden Rock, and in 2018 at Bay City.



Photos obtained from Heather Kaarakka, Wisconsin DNR Bat Program

We have also partnered with DNR and Trout Unlimited in the restoration of many local waterways, by providing heavy equipment, monetary contributions, and many hours of employee volunteer time.

In addition, we have facilitated several tours of our Wisconsin operations to DNR professionals, to help them understand how an industrial sand mining operation works, from the equipment used, to the mining process, and even sharing some of our best management practices.

We are very grateful to have the guidance of the DNR. Anytime we have questions relating to new rules or regulations, the DNR professionals are always helpful in clarifying these changes so that we can continue to go beyond compliance.

Conclusion

At Covia, our long-standing commitment to sustainable development is woven into all that we do—our mindset, structure, strategies, processes, metrics, and incentives. Business growth is a top priority, and that growth is supported and driven by our investments in people, innovation, efficiencies, and responsible business practices. Participation in the Green Tier program has helped

us to reinforce our continuous improvement programs at Covia, and has helped us to strengthen our Environmental Management System.